

**AGENDA**



<b>RCA</b>	Austin City Council	<b>Item ID</b>	5708
<b>Meeting Date:</b>	5/12/2011	<b>Department:</b>	Austin Water Utility

Subject

Approve a resolution repealing and replacing Resolution # 20050929-056 that ensures the Austin Water Utility's water leak related adjustment policy and administrative adjustment policy supports Water Conservation initiatives.

Amount and Source of Funding

There is no unanticipated fiscal impact.

Fiscal Note

A fiscal note is not required.

<b>Purchasing Language:</b>	
<b>Prior Council Action:</b>	September 29, 2005 – Council passed a resolution directing the City Manager to initiate the process of changing the City's water leak-related bill adjustment policy.
<b>For More Information:</b>	David Anders, 972-0323; Denise Avery, 972-0104
<b>Boards and Commission Action:</b>	To be reviewed by the Water and Wastewater Commission on May 11, 2011.
<b>MBE / WBE:</b>	
<b>Related Items:</b>	

Additional Backup Information

This resolution repeals a September 29, 2005 Council resolution (# 20050929-056) related to leak-related bill adjustments. It replaces that 2005 resolution with a resolution that is intended to make Austin Water's leak adjustment policies more consistent with water conservation ordinances, most recently strengthened in 2007. That ordinance requires customers to repair controllable leaks and prohibit water waste during irrigation. At the same time the new policy still provides relief for customers with leaks which were outside their control such as a leak that was not visible or a broken pipe.

The new resolution is also intended to bring leak policies more in line with Council policy that water wasters should pay for the water they waste rather than spread that cost to all customers. For example the water conservation ordinance prohibits watering with broken sprinkler heads, but under the current policy Austin Water processes leak adjustments for customers who can provide documentation that they repaired broken sprinkler heads.

Since the Council action in 2005, the total amount of leak-related adjustments have increased from around \$200,000 per fiscal year to just under a million dollars in each of the last two fiscal years. The new resolution includes a

calculation methodology that still provides relief to customers, but reduces the amount of the leak adjustment and limits the circumstances under which adjustments can be applied, thereby providing an incentive to customers to be diligent in repairing leaks immediately and decreasing the total amount of adjustments processed for leaks.

In 2005, City Council adopted Resolution # 20050929-056 for the purpose of providing relief to Austin Water Utility customers who experienced high water bills due to an accidental water leak, and established a revised calculation methodology for calculating the leak adjustment credit to the customer's utility account.

The proposed resolution would repeal and replace Resolution # 20050929-056 for the purposes of:

Ensuring the resolution is consistent with Chapter 6-4 of the City Code that prescribes water conservation regulations that require repair of controllable leaks and prohibits the waste of water during irrigation.

Supporting the City Council's 2007 Citizens Water Conservation Task Force and its policy proposal recommending conservation measures for reducing water use within the City.

Encouraging customers to be responsible for their water usage and to monitor and correct irrigation system settings and replace broken sprinkler heads.

Establishing a calculation methodology that includes consideration of the utility's tiered rate structure  
Providing relief for customers who experience unusually high and abnormal water bills.